

[Circular Letter No. 2017-09, February 15, 2017]

**GUIDELINES FIXING THE DOCUMENTARY REQUIREMENTS FOR
ACQUIRING OWNERSHIP OF A DOMESTIC INSURANCE BROKER
AND REINSURANCE BROKER**

Adopted: 14 February 2017

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Pursuant to the powers vested in the Insurance Commissioner by Section 437 of Republic Act No. 10607, "An Act Strengthening the Insurance Industry, further amending Presidential Decree No. 612, otherwise known as the Insurance Code", the following Guidelines Fixing the Documentary Requirements for Acquiring Ownership of a Domestic Insurance Broker and Reinsurance Broker are hereby adopted and promulgated:

Section 1. TITLE

These Guidelines shall be called the "Guidelines Fixing the Documentary Requirements for Acquiring Ownership of a Domestic Insurance Broker and Reinsurance Broker."

Section 2. DEFINITION OF TERMS

As used herein, and unless the context otherwise requires, the following terms have the respective meanings hereinafter set forth or indicated:

- (a) *Commission* - shall be referred to as the Insurance Commission;
- (b) *Insurance Broker* - as defined under Section 310 of the Amended Insurance Code, as any person who for any compensation, commission or other thing of value acts or aids in any manner in soliciting, negotiating or procuring the making of any insurance contract or in placing risk or taking out insurance, on behalf of an insured other than himself.
- (c) *Reinsurance Broker* - as defined under Section 319 of the Amended Insurance Code, one who, for compensation, not being a duly authorized agent, employee or officer of an insurer in which any reinsurance is effected, acts or aids in any manner in negotiating contracts of reinsurance, or placing risks of effecting reinsurance, for any insurance company authorized to do business in the Philippines.

Section 3. DOCUMENTARY REQUIREMENTS

Accordingly, no person shall acquire ownership of any domestic insurance broker and reinsurance broker without the prior written approval of the Insurance Commissioner.

Application for the approval of acquisition of a domestic insurance broker and